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PRESS RELEASE

2018 RESULTS

- **Revenue: +14.5% to €148.48m**
 - A period combining significant organic and external growth
 - Tele-consultation, telecare, expansion in Italy, strategic industrial partnerships...
- **Solid earnings growth**
 - Operating Profit: +13.4% to €38.89m
 - Net Profit: +12.7% to €27.04m
 - Strong growth in net cash: +29.9% to €94.42m
- **Dividend proposal for FY 2018: €0.85 per share**
- **2019: a year devoted to developing innovative patient-centred solutions**
- **Project to acquire an equity stake in Pharmathek**

€m	Dec. 2018	Dec. 2017*	Change
Revenue	148.48	129.67	+14.5%
Operating Profit	38.89	34.30	+13.4%
Net Profit	27.04	24.00	+12.7%
Net profit attributable to equity holders of the Parent	25.43	22.91	+11%
Basic earnings per share (in €)	1.70	1.53	+11%

* *pro forma, according to IFRS 15*

The Board of Directors, chaired by Thierry CHAPUSOT, met on 29 March 2019 with the Auditors in attendance. The Board examined and approved the accounts for the 2018 financial year. The consolidated accounts have been audited and the auditors' report will be issued after the management report has been reviewed and finalisation of procedures required for filing the annual financial report.

➤ **Consolidated financial highlights**

Pharmagest Group delivers another year of strong annual growth. 2018 revenue in consequence reached €148.48m, up 14.5% from 31 December 2017. On a pro forma basis (excluding the acquisition of Macrosoft Group in Italy), revenue for the year rose 8.3%, with an acceleration in H2 2018 at +10.55%.

Operating Profit amounted to €38.89 million, up 13.4% from 2017.

- **Operating Profit for the Pharmacy Division - Europe Solutions was €27.14 million** representing 70% of the Group's consolidated operating profit. This operating performance was boosted by additions to the Division's sales teams and its continuing international expansion.
- **Operating Profit for the Health and Social Care Facilities Solutions Division was €8.58 million** or 22% of the Group's consolidated operating profit. Following the integration and optimisation of synergies between the operations of Malta Informatique, Dicsit Informatique and aXigate, the Division confirmed its strategic positioning across the "non-hospital/hospital" spectrum as the operational and functional coverage of its high added value service offering develops favourably.
- **For the e-Health Solutions and Fintech Division, Operating Profit amounted to €3.17 million** or 8% of the Group's consolidated operating profit. Following a year of investments, these Division have advanced to the launch phase of their offering.

Net Profit rose 12.7% to €27.04 million, up from €24.00 million in 2017.

Earnings per share of €1.70 rose 11% (€1.53 in 2017).

Pharmagest Interactive will propose a **gross dividend of €0.85** to the Annual General Meeting on 27 June 2019.

Net cash at 31 December 2018 stood at €94.42 million (including available-for-sale securities and other investments), **up 29.9%**.

Shareholders' equity stood at €117.05 million at 31 December 2018 compared to €104.92 million at the end of 2017.

➤ **Annual operating highlights**

- In line with its **ambitions to build a dedicated global ecosystem**, Pharmagest Group continued to develop **additional technological building blocks to reach new users**. On that basis, its subsidiary Malta Informatique confirmed the launch of a new innovative tele-consultation solution for elderly assisted-living facilities (EHPAD) for improving continuity of care and facilitating communication between the patients and their care network (medical and family).
- Following the acquisitions in the United Kingdom of Caremeds and Multimed, **Pharmagest Group has continued its deployment in Europe and expanded into Italy.**

Pharmagest Group announced the acquisition of a majority stake in Macrosoft Holding (60% in March 2018 - increased to 79% in October 2018). The new entity, a subsidiary of the Pharmacy Division - Europe Solutions, is named Pharmagest Italia.

The country's market leader in IT equipment and services for pharmacy wholesalers-distributors, Macrosoft, recently rolled out SOPHIA, an innovative software solution for

Italian pharmacies comparable to Pharmagest Group's LGPI Global Services® solution. This new offering got off to a very positive start, with Pharmagest Italia having already equipped more than 40 pharmacies with this new application in the Italian market in the first few months.

- Finally, **Pharmagest Group has chosen to open up its healthcare platform and build a genuine portfolio of collaborative partnerships:**
 - **with Korian Group** (manager of Europe's leading network of long-term care nursing homes, specialised clinics, assisted living facilities, and homecare and hospital-at-home services), Pharmagest Group proposes an innovative multi-service offering for vulnerable persons both at home and in assisted living facilities for the elderly (EHPAD);
 - Pharmagest Group was tasked with implementing for the **Nancy Regional and University Hospital** a remote monitoring solution for chronic kidney disease patients through its eNephro solution, the leading medical remote monitoring mechanism which has qualified for reimbursement by the French health insurance system to monitor patients in certain dialysis units (UAD / autonomous dialysis units; UDM / medical supervised dialysis) and for transplant patients.
 - Pharmagest Group has **combined its software expertise with that of Cegedim** to propose a reliable and secure system for exchanging information providing interoperability for all healthcare professionals in both the non-hospital and hospital segments, and contribute to greater efficiencies across healthcare pathways in France and improve patient care.

➤ **Significant subsequent events**

In January 2019, Pharmagest Group **acquired an equity stake in Embleema**, a Franco-American start-up specialised in the secure sharing of personal health records through Blockchain technology. This transaction reflects the Group's strategy for the development of innovative patient-centred solutions.

Embleema's recent strategic partnership with Gustave Roussy, the leading cancer centre in Europe, will enable the integration of health data, and consolidation onto a real world evidence data exchange, that will enable patients of the Gustave Roussy Institut to access and control their data. Embleema has also developed partnerships with the pharmaceutical companies, Servier and Pierre Fabre.

➤ **2019 outlook**

After registering particularly robust organic and external growth in 2018, Pharmagest Group is today ready to offer all healthcare professionals innovative, reliable and secure technological solutions to administer and manage every phase of the patient care pathway.

Pharmagest Group is looking forward to the year in progress with confidence: trends for all the Group's businesses are positive and the strategic partnerships announced in 2018 with Korian and Cegedim groups will open up promising prospects.

Pharmagest Group will furthermore continue to invest in the development of new products and services.

Pharmagest Group also intends to accelerate the construction of its Patient Data platform in Europe which will provide a tool for connecting all healthcare professionals. And with the

recent acquisition of an equity stake in Embleema, the Group will be able to leverage its Blockchain technology to develop new offerings and enable patients to regain control over their health data and how it is used, and in that way contribute to medical research.

➤ **Project to acquire an equity stake in Pharmathek**

Pharmagest Group is announcing a business combination plan with Pharmathek, an Italian company specialised in designing, developing and installing automated warehouses for pharmacies.

On 26 March 2019, Pharmagest Group and Pharmathek concluded a memorandum of understanding whereby in conjunction with the sale of 100% of its subsidiary Intecum to Pharmathek, Pharmagest Group will subscribe to a capital increase increasing its stake in Pharmathek to 49%.

This transaction will strengthen Pharmagest Group's portfolio of pharmacy robotization and automation solutions and businesses, consolidate its position in Europe and accelerate its development in Italy. Pharmagest Group will in this way actively contribute to Pharmathek's deployment in France, Belgium and Luxembourg. Pharmathek is moreover pursuing an ambitious strategy for development in Germany and Spain.

Pharmathek's product line addressing medium-sized and large pharmacies, thus complements that of Intecum, Pharmagest's subsidiary marketing the SELLEN robotic system designed for small pharmacies. Pharmagest Group now has a full-fledged robotics business line with solutions adapted for all sizes of pharmacies in France and Europe.

Completion of this transaction is planned before the end of the 2019 first half and will be the subject of a specific press release.

➤ **Upcoming events**

- End of April 2019: Release of the 2018 Registration Document
- 16 May 2019: Publication of 2019 first-quarter sales
- 27 June 2019: Annual General Meeting

About PHARMAGEST Group:

Pharmagest Group is the French pharmacy information technology leader, with a market share of more than 44% and more than 1.000 employees. The Group's strategy is based on a core business of improving healthcare through information technology innovation and developing two priority areas: 1/ Services and technologies for healthcare professionals, with a focus on assisting pharmacies in patient medication compliance; and 2/ technologies for improving the efficacy of healthcare systems.

To roll out this strategy, Pharmagest Group has developed specialised businesses, including pharmacy IT, e-Health solutions, solutions for healthcare professionals, solutions for pharmaceutical laboratories, connected health devices and apps, and a sales financing marketplace.

These businesses are grouped within four divisions: Pharmacy - Europe Solutions; Health and Social Care Facilities Solutions; e-Health Solutions and Fintech.

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